



Income Tax Act 2007

2007 CHAPTER 3

PART 15

DEDUCTION OF INCOME TAX AT SOURCE

CHAPTER 11

PAYMENTS BETWEEN COMPANIES ETC: EXCEPTION FROM DUTIES TO DEDUCT

Incorrect belief that payment is an excepted payment

938 Consequences of reasonable but incorrect belief

- (1) This section applies if—
- (a) a payment is made by a company, local authority or qualifying partnership without a sum representing income tax on the payment being deducted from it,
 - (b) at the time the payment is made, the company, authority or partnership reasonably believes that it is an excepted payment,
 - (c) one of the duties to deduct sums representing income tax mentioned in section 930(2) would apply to the payment if the company did not so believe, and
 - (d) the payment is not an excepted payment at the time it is made.
- (2) This Part has effect in relation to the payment as if section 930(1) had never disapplied the duties to deduct mentioned in section 930(2).

Changes to legislation:

There are currently no known outstanding effects for the Income Tax Act 2007, Section 938.